

FISCAL NOTE

Bill #: SB0139

Title: Review and modification of child support orders

Primary Sponsor: Esp, J

Status: Third Reading

Sponsor signature

Date

David Ewer, Budget Director

Date

Fiscal Summary

	<u>FY 2006 Difference</u>	<u>FY 2007 Difference</u>
Expenditures:		
State Special Revenue	(\$10,932)	(\$10,932)
Federal Special Revenue	(\$21,222)	(\$21,222)
Revenue:		
State Special Revenue	\$0	\$0
Federal Special Revenue	\$0	\$0
Net Impact on General Fund Balance:	\$0	\$0

- | | |
|---|--|
| <input type="checkbox"/> Significant Local Gov. Impact | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts |
| <input type="checkbox"/> Dedicated Revenue Form Attached | <input checked="" type="checkbox"/> Needs to be included in HB 2 |

Fiscal Analysis

ASSUMPTIONS:

Department of Public Health and Human Services

1. This legislation would reduce the number of child support enforcement process service activities from the current law of three times per modification to one time per modification.
2. Child Support Enforcement Division (CSED) processed 932 modification requests in FY 2004.
3. CSED expenditures are funded with 34 percent state special revenue and 66 percent federal funds.
4. A basic modification request currently costs \$51.76 for process service and paper.
5. Total FY 2004 costs for process service and paper for modification orders was \$48,240 (932 x \$51.76). Of this, \$16,402 was funded with state special revenue funds (\$48,240 x 34 percent) and \$31,838 was funded with federal funds (\$48,240 x 66 percent).
6. If this legislation passes, the process service and paper costs per modification would be \$17.26 (51.76 / 3); a reduction of \$34.50 (\$51.76 minus \$17.26) per modification.
7. Total modification costs with only one process service would be \$16,086 per year (932 x \$17.26). This is \$5,469 in state special revenue expenses (\$16,086 x 34 percent) and \$10,617 in federal expenses (\$16,086 x 66 percent).

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(continued)

8. The total reduction in expenses is \$32,154 per year (\$48,240 - \$16,086). The corresponding reduction in state special and federal expenses is \$10,932 and \$21,222 respectively.

FISCAL IMPACT:

	<u>FY 2006 Difference</u>	<u>FY 2007 Difference</u>
<u>Expenditures:</u>		
Operating Expenses	(\$32,154)	(\$32,154)
<u>Funding of Expenditures:</u>		
State Special Revenue (02)	(\$10,932)	(\$10,932)
Federal Special Revenue (03)	<u>(\$21,222)</u>	<u>(\$21,222)</u>
TOTAL	(\$32,154)	(\$32,154)
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>		
State Special Revenue (02)	(\$10,974)	(\$10,974)
Federal Special Revenue (03)	(\$21,222)	(\$21,222)